

IN THE CIRCUIT COURT OF KANAWHA COUNTY, WEST VIRGINIA

STATE OF WEST VIRGINIA ex rel.
PATRICK MORRISEY,
ATTORNEY GENERAL,

Plaintiff,

v.

Civ. Action No. 13-C-2330

LEGAL HELPERS DEBT
RESOLUTION, LLC, a/k/a
MACEY, ALEMAN &
SEARNS, f/k/a MACEY, ALEMAN
HYSLIP & SEARNS, JASON E. SEARNS,
THOMAS G. MACEY, JEFFREY J.
ALEMAN, and JEFFREY S. HYSLIP,

Defendants.

RECEIVED

JUN 06 2014

ATTORNEY GENERAL'S OFFICE

FINAL JUDGMENT AND CONSENT DECREE

This matter came before the Court by the parties seeking the entry of this Final Judgment and Consent Decree. The parties represent they have reached a settlement as set forth in this Final Judgment and Consent Decree.

The State of West Virginia ex rel. Patrick Morrissey, Attorney General (the "State"), filed a Complaint for injunctive relief, restitution, recovery of excess charges and civil penalties against the Defendants, Legal Helpers Debt Resolution, LLC a/k/a Macey, Aleman, Hyslip & Searns, Jason E. Searns, Thomas G. Macey, Jeffrey J. Aleman and Jeffrey S. Hyslip, alleging numerous violations of the West Virginia Consumer Credit and Protection Act. W.Va. Code § 46A-1-101 *et seq.*

The State and Defendants desire to resolve any and all disputes arising from the allegations in the Complaint. The parties have entered into an agreement which is embodied and set forth in this Final Judgment and Consent Decree ("Consent Decree").

The entry of the Consent Decree does not constitute an admission of liability by any of the Defendants.

In full and final settlement of the claims set forth in the Complaint, Defendants have agreed to pay the State \$135,000.00 as well as agreeing to the injunctive relief set forth herein. Defendants have also agreed to entry of this Final Judgment and Consent Decree.

NOW, THEREFORE, without trial or adjudication of any issue of law or fact, before the taking of any testimony at trial, without the admission of liability or wrongdoing by Defendants and upon the consent of the parties hereto,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

I. JURISDICTION

The Court has jurisdiction over the subject matter of this action. The Complaint raises claims against Defendants under the West Virginia Consumer Credit and Protection Act, W.Va. Code § 46A-1-101 et seq. (the "Act"). Jurisdiction lies in this Court pursuant to Article VIII, Section 6 of the West Virginia Constitution, W. Va. Code § 51-2-2, and W. Va. Code § 53-5-3.

II. DEFINITIONS

As used in this Consent Decree, the following terms shall have the following meanings:

- A. "Attorney General" means the Attorney General of West Virginia or his representatives or designees.
- B. "Business Day(s)" means Monday through Friday of any given week.
- C. "consumer" means West Virginia consumer as the word is defined in the Act.

D. "Contract" means the contract or other written agreement entered into between one or more of Defendants and the consumer prior to the entry of this Consent Decree.

E. "Defendants" means Legal Helpers Debt Resolution, LLC, Thomas G. Macey, Jeffrey J. Aleman, Jeffrey S. Hyslip and Jason E. Searns.

F. "Debt Settlement" means the undertaking by Defendants to negotiate, resolve, settle, or compromise unsecured claims held by creditors against consumers.

III. INJUNCTION

It is hereby agreed by Defendants that immediately upon the entry of this Consent Decree, they shall be permanently enjoined and restrained from engaging in the practices set forth herein:

A. Defendants shall not conduct any debt settlement, modification, assistance, or counseling services on behalf of new consumer customers in West Virginia. Defendants shall not conduct any mortgage modification, assistance, or counseling services on behalf of new consumer customers in West Virginia (or involving property located in West Virginia). Nothing in this Paragraph shall bar any of the aforementioned persons from negotiating and compromising consumer debts on behalf of clients as part of a *bona fide* consumer bankruptcy law practice or fair credit reporting act practice, or fair debt collection practices act practice, provided they comply with Paragraph B below;

B. Notwithstanding the foregoing, the individual Defendants may engage in the practice of law in West Virginia provided they become licensed to practice law in the State of West Virginia, or are admitted to practice before a West Virginia court, *pro hac vice*. Individual Defendants may associate with lawyers licensed in West Virginia for a

particular matter, but, individual Defendants must be admitted to practice *pro hac vice* for each matter. Where the matter is not in litigation in a court of law, the individual Defendants must become admitted to practice pursuant to the procedures set forth in West Virginia State Bar Advisory Opinion 0010-01.

C. Defendants are ordered to, and agree to cooperate with the Attorney General in good faith in connection with the Attorney General's administration and issuance of restitution, including providing timely responses to reasonable requests by the Attorney General for customer information reasonably necessary to effectuate the restitution process. Defendants agree to deliver to the Attorney General, in a format acceptable to the Attorney General, the name, contact information, and account/payment history for each of their West Virginia consumer customers.

IV. PAYMENT MADE TO THE STATE

Upon entry of this Consent Decree, judgment is entered in favor of the State of West Virginia and against Defendants in the amount of \$135,000. Within one business day of the entry of this judgment, Legal Helpers Debt Resolution is ordered to pay this sum to the State of West Virginia (and if such payment is not timely made, the Court shall, upon notice and motion, vacate this Consent Decree).

Of the judgment amount, it is ordered that

A. \$50,000 be used by the Attorney General for payment of consumer restitution, in an equitable manner, pursuant to the Attorney General's discretion;

B. \$85,000 be used at the discretion of the Attorney General, for any one or more of the following purposes: direct and indirect administrative, investigative, compliance, enforcement, or litigation costs and services incurred for consumer protection purposes; to be held for appropriation by the Legislature; and/or distribution to taxpayers and/or consumers.

C. Payment shall be made by cashier's check made payable to the "State of West Virginia," and delivered to the Office of Attorney General, Consumer Protection and Antitrust Division, 812 Quarrier Street, 1st Floor, Charleston, WV 25301, or by wire transfer, at the election of the Attorney General.

V. RELEASE

Upon entry of this Consent Decree, all claims in the State's complaint, and all claims that the State could have asserted against Defendants, and their current and former members, managers, officers, directors, shareholders, partners, employees, and attorneys (and their successors and assigns) in connection with Defendants' practice of law, and marketing and provision of foreclosure consultant, mortgage modification and debt settlement services in the State of West Virginia are fully resolved and this Consent Decree will have preclusive effect for any such claims by the Attorney General against the Defendants.

A. The Attorney General represents and warrants that he has authority to enter into this agreement on behalf of the State of West Virginia, and its various departments, branches, offices and divisions which are represented by the West Virginia Attorney General's Office (or which have concurrent jurisdiction with the Attorney General's Office with respect to the claims resolved herein), and exclusive of the West Virginia State Bar Association and the West Virginia Office of Disciplinary Counsel as an agency of the West Virginia Supreme Court of Appeals.

B. The parties are in agreement with the foregoing and affix their signatures below and consent to entry of this Final Judgment and Consent Decree.

VI. COMPLIANCE

For purposes of determining and securing compliance with this Consent Decree, the Attorney General shall be permitted upon fifteen (15) days prior written notice:

A. Reasonable access during normal office hours to any and all relevant and non-privileged records and documents in the possession, custody, or control of Defendants which relate to any of the matters contained herein.

B. Subject to the reasonable convenience of Defendants, to conduct interviews of any of the members, directors, officers, employees, agents, and any other persons acting on their behalf, each of whom may have counsel present, relating to any non-privileged matter contained herein.

C. Defendants retain the right to object to any request under paragraphs (A) or (B) above within ten (10) days after its receipt on the grounds that the request is not reasonable, or not relevant to the matters contained herein, or otherwise is not in accordance with law. Any such objection shall be directed to this Court for a ruling, with service by mail of the objection upon the Attorney General.

D. If the Attorney General determines that Defendant(s) have violated the terms of this Consent Decree, he shall give Defendant(s) written notice of the violation and Defendant(s) shall have fifteen (15) business days to respond in writing. If the Attorney General is not satisfied with Defendant(s)' response, he shall notify the Defendant(s) in writing and Defendant(s) shall have fifteen (15) business days to cure such non-compliance. If after such time Defendant(s) have not cured the violation to the Attorney General's satisfaction, the Attorney General, in his discretion, may seek penalties for contempt for violation of any paragraph of this Consent Decree and may seek the civil remedies as allowed by W. Va. Code § 46A-7-111(b).

E. Without affecting the finality of this Consent Decree, jurisdiction shall be retained by this Court for the purpose of enabling any party hereto to apply for such further orders and directions as may be necessary or appropriate for the construction or enforcement of this Consent Decree, and the remedy of a violation of any of the

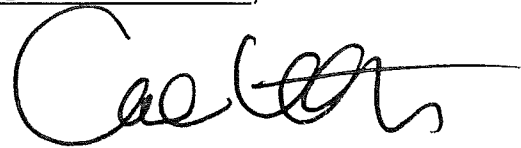
provisions contained herein. This Court shall have the authority to specifically enforce the provisions of this Consent Decree.

F. In the event that Legal Helpers Debt Resolution (i.e., the party paying the \$135,000 amount) files a petition in bankruptcy within 90 days of the entry of this Consent Decree, and if some or all of the \$135,000 settlement payment is disgorged as a preferential payment, then the non-filing Defendants agree to pay to the State any money the State is ordered or required to pay to the bankruptcy estate. Provided, however, that the State must provide notice of any preference claim to the Defendants and permit the Defendants to defend the preference claim.

This matter, having been finally resolved by the parties is hereby stricken from the Court's active docket.

The Clerk is directed to serve a certified copy of this Consent Decree on counsel of record.

SO ORDERED this 2 day of June, 2014.



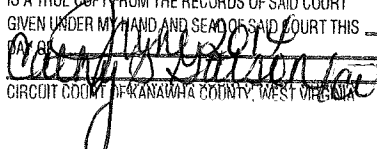
The Honorable Carrie L. Webster
Judge, Kanawha County Circuit Court

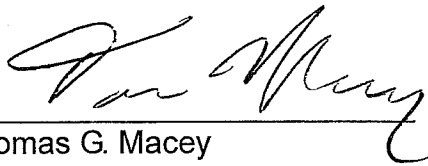
Approved and Consented to by:

Legal Helpers Debt Resolution, LLC

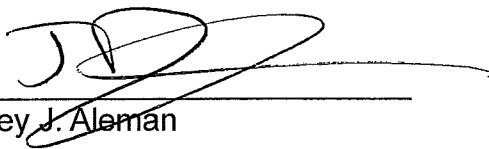
By: 

Jeffrey J. Aleman
Its Managing Member

STATE OF WEST VIRGINIA
COUNTY OF KANAWHA, SS
I, CATHY S. GATSON, CLERK OF CIRCUIT COURT OF SAID COUNTY
AND IN SAID STATE, DO HEREBY CERTIFY THAT THE FOREGOING
IS A TRUE COPY FROM THE RECORDS OF SAID COURT
GIVEN UNDER MY HAND AND SEAL OF SAID COURT THIS 3rd
DAY OF June 2014

CIRCUIT COURT OF KANAWHA COUNTY, WEST VIRGINIA CLERK



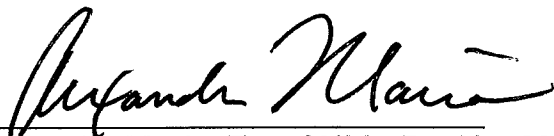
Thomas G. Macey



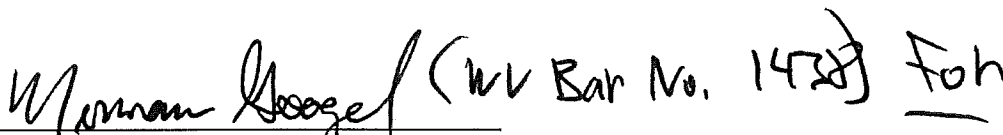
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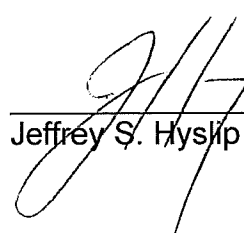
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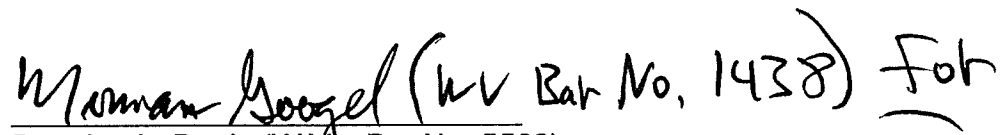


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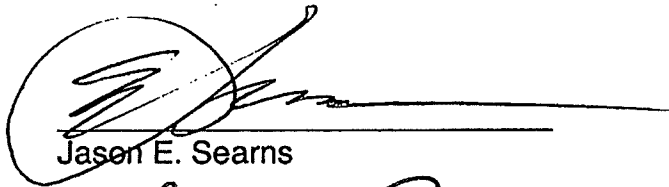


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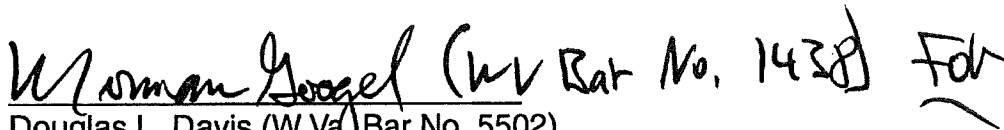
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